- NAB convention in Dallas proves eye-opening
- CNN finally gets White House press passes
- C-SPAN looking for alternative financing
- MSO ranks swell with addition of 'old hand'

CableVision

The news and features weekly of the cable television industry

April 19, 1982

Bud Hostetter: *Guiding Continental Cablevision to major MSO ranks*

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PLUS

Getty's Petersen and Evey spell out ESPN history, new ABC venture

CableVision Volume 7, Number 32, April 19, 1982

Between the lines/5
CableScope/9
Newswire/10
Leading the week/13
Programming/23
Marketing/34
CableVision Plus/35
Business/59
Franchising/69
Government & law/71
Technology/72
Events/77
Classifieds/78
Advertisers' index/83
From Washington/84
Cable stats/87
Parting words/90

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Anticlimactic lottery

After months of controversy, and amidst court challenges, RCA's highly anticipated transponder lottery is called off for shortage of demand. HBO, WASEC and NBC came with $13 million and won without competition. **Leading the week, pages 13-20.**

Freedom first

Sen. Robert Packwood (D-OR) is considering a constitutional amendment as a way to guarantee First Amendment rights to electronic media. **Leading the week, pages 13-20.**

CNN—pool open

Cable News Network dives into the White House television pool, settling its year-long dispute with ABC, CBS and NBC over coverage of the President. The access will be costly, however. **Leading the week, pages 13-20.**

Mile Hi negotiations

Despite threats of legal action, referendums and legislative investigations, Mile Hi Cablevision and Denver officials are attempting to hammer out a franchise agreement. **Leading the week, pages 13-20.**

Soviets severed

Cable News Network's *Moscow Live* series has been dropped over an impasse between the network and Soviet officials on a human rights episode. **Page 23.**

C-SPAN troubles

A number of systems recently discontinued C-SPAN subscriptions. Those systems represented a large portion of revenue which C-SPAN leadership is looking to replace. Selling ad time is one option. **Page 23.**

Taking on Turner

Ron Castell outlined marketing plans for Satellite News Channels, a direct challenge to Ted Turner. **Page 34.**

Joining MSO ranks

Steve Simmons is leaving Tribune Co. Cable to start his own MSO. Simmons has a few regrets, an unusual background and some definite ideas on how to succeed. **Page 59.**

Turner to rescue

Once again Ted Turner is doing something the three major networks are refusing to do—providing some financial aid to the ailing auto industry. **Page 59.**

Westinghouse sure

Westinghouse Electric plans to spend more than $1 billion to nurture its cable television operations. **Page 61.**

Tale of two franchises

Minnesota's twin cities have problems with cable franchise endeavors, but that is where the similarity ends. St. Paul has a heated public ownership fight headed for the polls, while Minneapolis has passed its debate along to the state governing board. **Page 69.**

This week in *CableVision Plus*

Continental Cablevision Inc. is a classic textbook case, created by former Harvard Business School classmates Bud Hostetter and Irv Grousbeck. This month, with 500,000 subscribers and a 1:1 pay-to-basic ratio, CCI shifts from mid-size to major MSO. An interview with Getty Oil's Sidney Petersen and Stuart Evey rounds out the Business/Finance theme. The pair detail Getty's history of cable involvement and the re-evaluations that led to a match-up with ABC. **Pages 35-58.**

As subscribers like it

ELRA Group study reveals potential subscribers want movies, news, music and educational offerings

NEW YORK—Which cable services appeal most to potential subscribers in the urban cable systems now being franchised and built? What opportunities are operators and programmers missing as they start to develop plans for these new markets?

These and other questions about the future of cable programming in major urban centers were examined in a recent study conducted by the ELRA Group of East Lansing, Michigan, a national cable television research company with more than 10 years of telecommunications and cable experience.

The ELRA study, called CableMark, is the first in a series of studies the company is doing on cable programming and services. Results are based on 9,679 completed telephone interviews with residents from 23 cable communities in 11 states. The study was conducted for top MSOs as part of community needs ascertainment surveys. It covered areas where major franchise awards have been made in the past 18 months and where wiring will be done during the next two years. These markets include the metropolitan areas of Detroit, Washington, D.C., Minneapolis/St. Paul, Los Angeles, and Miami.

According to Dr. Robert LaRose, director of research for the ELRA Group, new methods of tiering programming services and new programming services attractive to specialized groups will need to be developed if the cable industry is to maximize penetration, revenue and subscriber satisfaction levels in new cable environments.

The study found there are six types of programs that go together on the basis of common patterns of consumer interest. The six types are family, public affairs, entertainment, news and information, self improvement, and culture.

The researchers asked respondents to rank their interest in 18 different program types.

Eighty percent of those interviewed stated an interest in national and international news, 78.5 percent were interested in movies and 72.5 percent expressed an interest in music.

Weather reports garnered a 68.3 percent rate of interest and cultural programming 62.2 percent. Also 61.2 percent of the respondents were interested in Las Vegas nightclub acts. Black entertainers registered an interest rate of 54.5 percent, children's programming 53.5 percent, and women's programming 52.5 percent. Surprisingly, only 46.3 percent of the respondents expressed an interest in sports channels, though the rate differs greatly between males and females. Only 31.8 percent of the female respondents had an interest in sports, while 61.5 percent of the male respondents expressed an interest.

The lowest-rated services were religious programming, 34.4 percent; Spanish language movies, 25.3 percent, and shopping channels, 16.8 percent. Local programming features, not always considered of interest by existing cable subscribers, received a high rate of interest among potential subscribers. Some 65.2 percent had an interest in courses for credit over cable, 63 percent had an interest in

Rankings of program service concepts

Services	Overall rank	Male	Female	24 and under	25 to 34	35 to 49	50 to 64	65 and older	Less than $15,000	$15,000 to $24,999	$25,000 to $34,999	$35,000 and over	White	Black	Other	Children	No children	Less than high school	High school	Some college	College degree	Graduate training	Detroit	Los Angeles	Washington, D.C.	Southwest	Minn./St. Paul	Other
National news	1	1	1	2	2	1	1	1	1	2	1	2	1	1	1	2	1	1	1	1	1	3	1	2	2	1	2	1
Movies	2	2	2	1	1	2	2	6	2	1	2	1	2	4	2	1	2	3	2	2	2	1	3	1	1	3	1	2
Music	3	3	3	3	3	3	5	5	4	3	3	4	3	6	3	4	3	5	3	3	4	4	2	3	—	—	3	—
Weather	4	4	4	5	5	5	3	4	3	4	5	6	4	3	5	5	4	2	4	5	6	6	5	8	3	2	4	3
Public access	5	7	7	6	7	7	7	8	5	6	7	9	8	5	7	6	6	4	5	7	7	8	7	9	4	4	5	5
Cultural	6	9	5	14	8	6	4	2	11	7	6	3	5	16	6	9	5	16	11	6	3	2	4	5	—	9	6	7
Courses for credit	7	6	8	4	4	4	9	16	13	5	4	5	6	11	6	8	8	14	8	4	5	5	6	4	6	11	8	13
Nightclub acts	8	5	10	8	9	8	8	9	10	8	8	8	7	14	4	3	7	10	6	8	9	10	8	6	—	7	7	4
State legislature	9	10	9	13	11	9	6	7	8	11	9	7	9	9	12	10	9	9	12	9	8	7	9	11	5	6	10	8
Children's programs	10	11	11	7	6	10	15	14	9	9	10	16	10	8	9	2	14	7	9	10	11	12	16	10	—	5	12	6
Women's programs	11	16	6	12	10	11	14	13	6	10	11	13	11	12	11	7	11	11	7	12	12	13	11	7	7	—	11	—
Black entertainers	12	13	12	9	12	12	13	12	7	12	15	12	12	2	13	14	10	6	10	11	13	15	12	12	—	10	9	10
Financial information	13	12	16	16	15	13	11	10	17	16	14	10	15	13	14	15	12	17	17	14	10	9	10	14	11	—	13	14
City council meetings	14	14	13	15	16	14	10	11	14	15	16	14	16	10	17	13	13	12	14	15	15	14	14	16	10	8	14	11
Sports	15	8	17	10	13	15	17	17	16	14	12	11	13	17	16	12	15	15	16	13	14	11	15	15	8	14	15	12
Shopping channel	16	15	14	11	14	16	16	15	15	13	13	15	14	15	15	11	16	13	15	16	16	16	13	13	9	13	17	15
Religious programs	17	17	15	17	17	17	12	3	12	17	17	17	17	7	18	16	17	8	13	17	17	17	17	17	—	12	16	9
Spanish movies	18	18	18	18	18	18	18	18	18	18	18	18	18	18	10	17	18	18	18	18	18	18	18	18	12	15	18	16

public access programming, 56.8 percent had an interest in legislative channels and 54 percent had an interest in job listings via cable.

Between age groups, the biggest difference in interest was in cultural programming (ranked 14th by those between the ages of 18 and 24 and ranked second by those over age 65), and religious programming (ranked third by seniors, 17th by those aged 18-49).

Predictably, sports ranked eighth in interest among men, 17th in interest among women. Nearly the opposite was the case for women's programming, with women ranking these services sixth and men ranking them 16th.

Rankings also differed between ethnic groups and income groups. Lower income respondents ranked women's and black oriented channels higher (sixth and seventh), while higher income groups favored culture and sports (third and 11th, among those with incomes of $35,000 or more).

Interest in black entertainers was higher among black viewers, while white audiences ranked cultural programming higher in priority. (Blacks ranked black entertainment second, whites ranked them 12th. Whites ranked cultural offerings fifth, blacks ranked them 16th.)

Education was also a factor in the interest of respondents. Those with college degrees ranked culture third and courses for credit fifth, while those with a high school diploma ranked these categories 11th and eighth, respectively.

Geography can also affect interest, the study suggests. Minneapolis/St. Paul residents are closest to overall group ratings, while Detroit metropolitan residents rated children's programming lower than most other areas. Los Angeles area residents ranked weather and public access services lower, but women's programming higher than other regions. Residents in the Southwest ranked culture and education channels lower than other markets, but gave municipal council meetings relatively high marks.

The sample group, according to LaRose, tended to be well-educated, white and young. Only 13 percent had less than a high school diploma, while 19.5 percent had a college degree, 12.6 percent had been to graduate school, and 27.9 percent had some college education. Ethnically, the sample group was 72.9 percent white, 11.6 percent black, and 11.4 percent were from other ethnic groups. Almost

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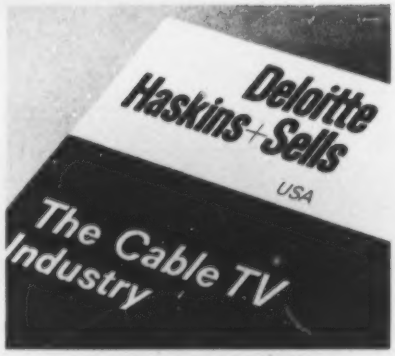

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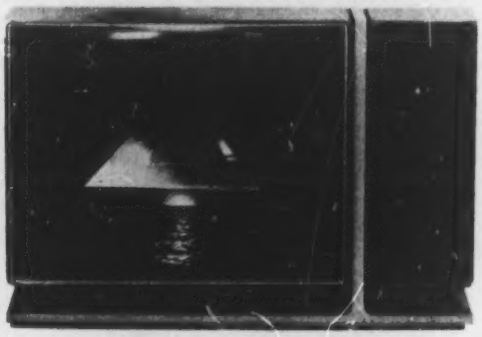

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Marketing

one-fourth of the sample group were between the ages of 25 and 34, and 22 percent were between 35 and 49. Those between the ages of 50 and 64 made up 21.9 percent of the sample, and only 12.3 percent were over 65. Slightly more than half of the sample earned less than $25,000 a year, with 15.1 percent earning between $25,000-$34,999, and 21.9 percent earning $35,000 or more.

What surprised and dismayed the research group was that most of the cable programming concepts being offered today appeal to young adults. This contradicts, LaRose told *Cable-Vision*, the cable industry's claim of delivering on narrowcasting concepts.

"Cable programmers are putting out a lot of programs that appeal to one target audience, the lucrative and large audience of the baby boom generation," he said.

For example, while there is plenty of programming that offers entertainment for young adults, there is little news and information programming for this group. Similarly, there is a lack of entertainment services that appeal to elderly viewers.

This gap, LaRose suggested, creates an opportunity for services geared toward as yet untapped audiences, such as senior citizens, the less-educated, and less-affluent. Although these groups seem to be less attractive target audiences for both programmers and operators, according to LaRose, the study discovered that members of these groups might be more willing to pay for basic cable service if they found programming of special interest to them.

In fact, poorer respondents are not necessarily scared off by current industry price structures, but seem willing to pay for home entertainment. Therefore it may not be necessary for operators to discount these services in urban markets, LaRose said.

Education, sex and age are the most important factors influencing cable subscribers. College educated, young adult male respondents are more likely to subscribe than less educated, older or female respondents. The study also suggests that interest is related to program preference. People who desire cable courses, adult entertainment and news are the most likely subscribers, while those respondents attracted to religious programming tend to be older and less affluent and also less interested in subscribing.

LaRose told *CableVision* that a new tiering structure, based on generating interest in potential subscribers in individual program types, may work best in new cable environments.

"When you move out of the heartland of the country there is more diversity of lifestyle in urban and suburban areas. Operators need to accommodate these differences and market services around lifestyle—like magazines do," he said.

The problem operators must figure out is how to allocate services between lower and higher tiers and find out which services go together and which have similar patterns of appeal to potential subscribers.

The survey suggests that operators have two choices: to place similar services on different tiers so that subscribers will have to purchase higher tiers to get all of the services they desire within a category, or to organize similar services on the same tier, so that subscribers will have to purchase higher tiers to get distinct types of programming.

The ELRA study concludes that services triggering a decision to subscribe—education, adult entertainment, and news for example—should be on the lowest tiers.

ELRA has developed two tiering models to support its conclusions. The first is vertical: Tier I is devoted to news, education, municipal government, black, women's, religious, public access, Spanish movies, and nightclub acts. Tier II is devoted to movies, children's programming, music, weather, and shopping; and Tier III to culture, financial, state government, and sports services.

The second tier model is horizontal, and is the one preferred by the ELRA Group, according to LaRose. It includes a basic service of informational, self-improvement and public affairs channels, and four optional tiers: cultural programming, sports, family and entertainment services.

While these tiering models may go contrary to the current popular wisdom in the cable industry that movies are the best services to attract subscribers, and educational channels the least attractive, the study says that because the opportunity to take courses, for example, is a unique one, this will make cable more, not less attractive to new subscribers. This doesn't mean that classes in chemistry, biology or the law will outdraw movies; rather, that courses, and also the other highly rated but less highly priced services, may be an important consideration to people when deciding whether or not to subscribe.

LaRose told *CableVision*, "This study tells the cable industry that it should start balancing programming and marketing concepts to these new audiences, and that operators should consider fundamental new approaches to tiering around lifestyle."

—*David Stoller*

Broadcasting—rock solid

New CBS study concludes cable networks' potential represents no threat

NEW YORK—While acknowledging the growth and steadily increasing competition from the cable systems, a new CBS marketing report concluded that broadcast is in no danger of losing ground to cable, in terms of advertising revenues or audience numbers.

The chart-heavy study, released this month by the CBS Television Network Sales/Marketing Services unit, has been written with advertisers in mind, vowing to take a "hard, cold look at the potential of cable over the remainder of the decade." Not surprisingly, CBS researchers concluded that "by the end of the decade the television landscape will look significantly different." But according to the network, the predominant shape of television audiences and the bulk of advertising revenues will continue to be where they are today—in commercial broadcasting.

The study, titled "The video marketplace in 1990: Diversity, Growth and Perspective," divided cable into three categories—advertiser-supported cable networks, pay cable networks, and local systems. First examining the ad-supported networks, CBS suggested three "scenarios" for cable advertising revenues in 1990: the $2 billion market, the audience/CPM-based model, and the magazine-based prototype.

The first scenario focused on the "popular cable industry estimate of $2 billion in national advertising revenues by 1990." If 10 networks survive, each would share $200 million of the total pie, according to CBS.

The second view gives the ad-supported networks an overall 9 percent share of 1990 prime-time and fringe viewing, amounting to 675,000 viewers for each of the surviving networks at that time. Adding a "generous" 33.3 percent premium for the selectivity of the cable network audiences, to a previous calcuation of the broadcast CPM, the study derived a $12.75 CPM for the cable networks. Assuming a four-minute commercial load, that translated to $173 million in revenue for each of the networks.

The third scenario models a 1990 advertiser-supported cable network universe, with eight types of cable networks paralleling the eight basic top circulation magazine formats. As with magazines, the model assumed the revenues would be based on a combination of subscription and advertising dollars. The study concluded that the networks can gain slightly more than $3 billion in revenues.

Broadcast network revenues, meanwhile, will total at least $15 billion in 1990, with an added $18 billion in television station revenue, according to CBS researchers. "To put these estimates in perspective," the study returns to the $200 million figure for each of the cable networks, saying that it would seem each cable network could mount an effective schedule for that sum.

Given these comparative figures, the study pointed out that "it is projected that the networks will be able to outbid the advertiser-supported cable networks for any programming that shows substantial appeal."

CBS forecasters see much more compeition from cable on the pay front. The study estimated that based on a 60 percent cable penetration and 75 percent pay-to-basic ratio, pay network revenues would reach $5.4 billion annually by 1990. "That is an impressive figure," CBS admitted. "Collectively (the cable networks) should offer the network significant programming competition in 1990."

This revenue pool, with multiple subscriptions adding to the total, should allow the pay services to develop original programming. However, CBS contended that theatrical features and sports will remain pay's staple. It's not all rosy, however, according to CBS, the report cites a major threat to pay services coming from production companies who "will want a bigger piece of the action than existing pay services provide," and also notes increased competition for new pay programmers.

Moving on to sports, CBS research-

ers gave short shrift to the possibility of the cable networks, pay or ad-supported, ever capturing the National Football League contract. Despite the fact that pay would represent solid revenue potential, the study notes that 30 percent of the current NFL audience would be disenfranchised because of the lack of access to cable television. The NFL, said CBS, will look hard at these potential downside risks before yielding to the allure of pay cable revenues.

A second threat from pay is in direct competition for advertising revenues. Noting that Madison Avenue is very much in support of pay cable advertising, CBS believes that the pay services will succumb to the magazine scenario, using advertising revenues to subsidize subscribers by offsetting subscription fees. The pay networks will probably end up running advertising in clusters between programs, said CBS, estimating that revenues might total $620 million a year, "An impressive number but not a severe threat to the networks $15 million revenue base," CBS maintained.

Local advertising gets a brief mention, by network researchers who believe the expanding number of systems will make local operators too fragmented to compete with broadcasters. Estimates of cable's 1990 potential range from $500 million to $1 billion and are more a threat to local newspaper and magazine advertising, than to the television stations which are expected to reach $18 billion in advertising revenues by that time, CBS asserted.

The report notes that "broadcasters are not without their own new technological weapon," teletext, which CBS claimed could generate $1 billion in 1990 revenues. A further offsetting factor, according to the study, is that monies lost to cable will be replaced with new dollars from new advertisers.

CBS concluded its research by taking on three of the ad-supported networks—WTBS, ESPN and Cable News Network.

While maintaining that advertiser investments in cable have "represented more of a hedge against the future than efficient television buys," CBS noted reasons why advertisers should choose its programming over cable. WTBS, according to the study, has the following shortcomings: unbalanced coverage; an audience concentrated in the southeast with only 13 percent of households in the top 10 markets; cherrypicking (CBS claims that a number of systems carrying WTBS pre-empt it for local interest sports programming); a commercial environment that is made of local advertising, blanked out for public service announcements for non-Atlanta viewers; and an audience that defies the cable narrowcasting concept.

CBS then dismissed ESPN by saying that it also suffers from cherrypicking and is likely to lose its most attractive elements to competing pay services in the future. Potential coverage or 17 percent of the nation, with $2.88 CPM, does not make it an efficient buy, according to the study.

Despite a lower CPM of $2.50, CNN also has its share of drawbacks, according to CBS. The study cites the lack of a local news element and the fragmentation of the audience with CNN2 and competition from Satellite News Channels.

Summing up, CBS maintained it is clearly the more efficient buy, and urged advertisers not to "abandon sound media planning and buying procedures in a speculative rush to position themselves in the vanguard of cable communicators."

CBS noted that it is currently sponsoring research to measure the advertising values delivered by the cable networks, and plans to release regular reports on cable audiences.

—Karen Bloom

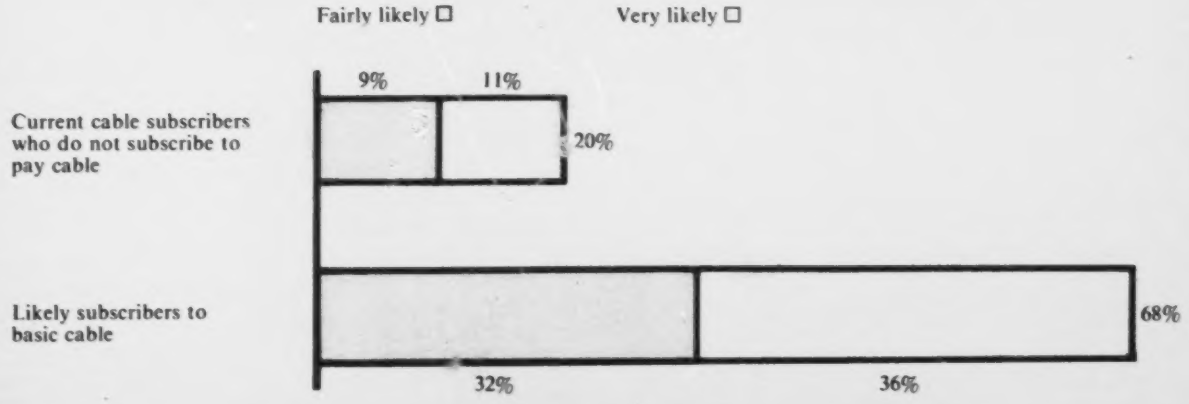
Anti-recession findings

Report on consumer spending trends shows continued growth for cable industry

PRINCETON, NJ—The market for cable services has not suffered from the recessionary cutback in consumer spending. That's the conclusion of Opinion Research Corporation's newly released report on cable subscription trends, which finds continuing high levels of consumer interest in the purchase of cable offerings.

According to the study, which is a follow-up to an April 1981 report, the market potential for programming and interactive services appears unlimited for both newer and older subscribers.

Likelihood of pay cable subscription in the next 12 months



The survey of adults in the randomly selected sampling of 2,000 households nationwide found that between 20 and 25 percent of non-subscribers in cabled areas indicate they are likely to purchase cable in the next 12 months. This would bring penetration levels of homes passed to approximately 63 percent by early 1983, ORC researchers predict. Subscribers, according to the survey, will come from all age groups, while continuing to consist of mainly middle-income families.

Subscriber age, according to the study, is no longer the factor it once was. While the data obtained last April showed age to be an important consideration in evaluation of the market, new information reveals subscriber expansion in the over-24 bracket has been extensive. "Cable subscribers can no longer be identified as the 'new generation' of media users," ORC concluded.

Results of the survey indicate cable availability in nearly 68 percent of households nationwide. This represents a 9 percent increase in availability since April 1981. The pace of conversion of non-subscribers has not been hurt by the increase in accessed base, the survey noted. Where cable is available, half (51 percent) of television households subscribe—an overall increase of 5 percent over last year.

With respect to future growth, the data give no indication of cable halting or slowing its upward trend. The study finds that the public indicates a greater likelihood of subscription during the next 12 months than they did in the previous survey. Among non-subscribers in wired communities, one in six said it is very likely that their households will subscribe in the near future and an additional 13 percent said it is fairly likely. This is an increase of 7 percent over the conversion potential indicated in the last study.

ORC found pay programming, particularly the availability of multiple services, holds the most interest for the public and will be the mainstay of the

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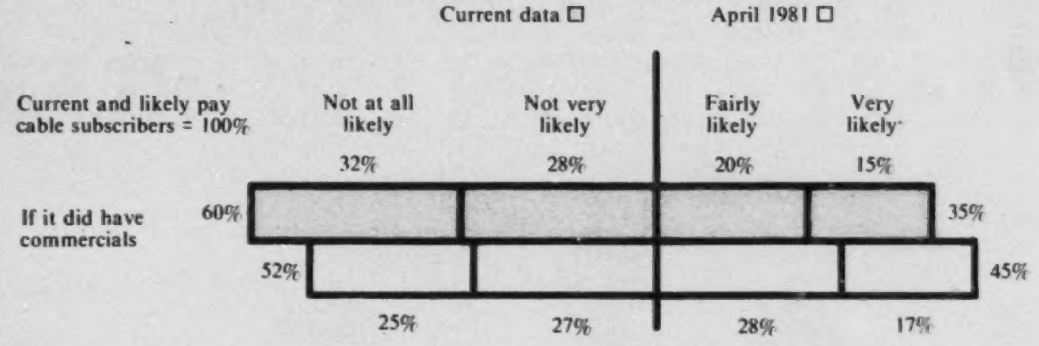
Unscramble Your Installation!
Fast and easy identification of your basic drops and pay levels is now possible with "Label Locks" from CWY. Our new Label Lock model has extra length to accommodate the latest style (F) connector. It comes in six distinctive colors that can be used in hundreds of combinations. Colorfast to withstand inclement weather, Label Locks are easily seen from the ground, eliminating extra climbing and giving you years of easy audit.
Attachment of the Label Lock is quick and permanent. They simply snap together and must be destroyed to be removed. This prevents tampering or tag changing. As an added feature any Label Lock may be attached to the junction of a Vitek trap or drop cable, serving as a label and security device.
Label Locks come in two sizes and will fit any drop cable or Vitek trap. Each has an area especially made to be written on.
CWY
Call Toll Free 1-800-428-7596
Indiana 1-800-382-7526

Likelihood of subscribing to pay cable with commercials



industry's growth in the coming years. ORC findings show 68 percent of potential cable subscribers are also likely to purchase at least one additional entertainment channel at an average monthly charge of $10. Among basic subscribers, the study indicates one out of every five is likely to purchase a pay service in the next 12 months.

ORC noted since its last survey, subscription-to-pay services have increased at three times the rate of increase in subscription-to-basic service. Currently, 61 percent of subscribers also pay for an additional tier of programming options, 14 percent more than nine months ago.

"Pay cable has created an undercurrent all its own. The concept of tiering has played an increasingly vital role in the development of the new media. Cable operators lure subscribers with the availability of special service options, and at the same time, the public shows increasing levels of interest in having more options," according to the report.

Along with pay programming, the introduction of specialized basic channels and interactive services (such as shopping, home security, and pay-per-view) have the potential of increasing subscription rates by as much as 50 percent, the study found.

At least half of the public has expressed interest in a 24-hour general information channel, a 24-hour continuous news channel, and one channel that features college or business-related courses. Shopping services and a channel featuring stock investment data are of less interest to consumers, according to the study. However, because one-third of the respondents were interested in these offerings, ORC researchers conclude, with careful targeting, they would have a market.

Other services with potential appeal include a channel for obtaining information about health and fitness, with the option of an interactive programming guide especially desirable.

The proposed availability of special program channels, according to the report, will boost the likelihood of attracting non-subscribers. Among non-subscribers with cable access, the study revealed 44 percent would be likely to subscribe if the various channel options were available at a reasonable cost. This compares with only 31 percent who said they are likely to subscribe to basic services.

But while ORC research showed subscribers are interested in more programming options and specialized services, its respondents are not pleased with having advertising inserted into their pay programming.

The results of the study indicate that although a large number of current and potential pay cable subscribers will tolerate commercials under certain conditions, even under the most agreeable circumstances subscription is substantially jeopardized. The findings revealed that the level of commercial acceptance by current and potential pay subscribers is less than the previous survey. Currently, about one-third (33 percent) said they still would be likely to subscribe if pay cable had commercials throughout the programming as on broadcast television—10 percent fewer than the number who accepted the concept nine months ago.

Positioning of commercials at hourly intervals makes the proposition more acceptable. Six in ten subscribers or potential subscribers said they would still subscribe under this condition. But even this acceptance level is less than indicated in the last survey. However, if commercials were accompanied by a 20 percent reduction in the cost of the service, as many as 68 percent said they still would be likely to subscribe.

Of greater significance to ORC researchers is their finding that those who subscribe to a pay channel react more negatively than future subscribers to the idea of commercials in the programming. "This suggests that the absence of commercials may be one of pay TV's strongest advantages over network television and that any other advantages are not enough to retain subscribers once commercials are introduced," the report stated.

Commenting on the findings, ORC cable research vice president Howard Horowitz said, "While each cable system forms a unique market, this national data indicate that it would be a worthwhile investment for marketers and operators to study the precise nature and extent of their own system's market potential. While their current subscriber base remains the best market for new programming and service options, new options combined with creative tiering strategies can broaden the appeal of cable to market segments that have traditionally been the hardest to convert."

Other topics examined by the study include ownership of other forms of electronic entertainment and the effect of cable television on other media.

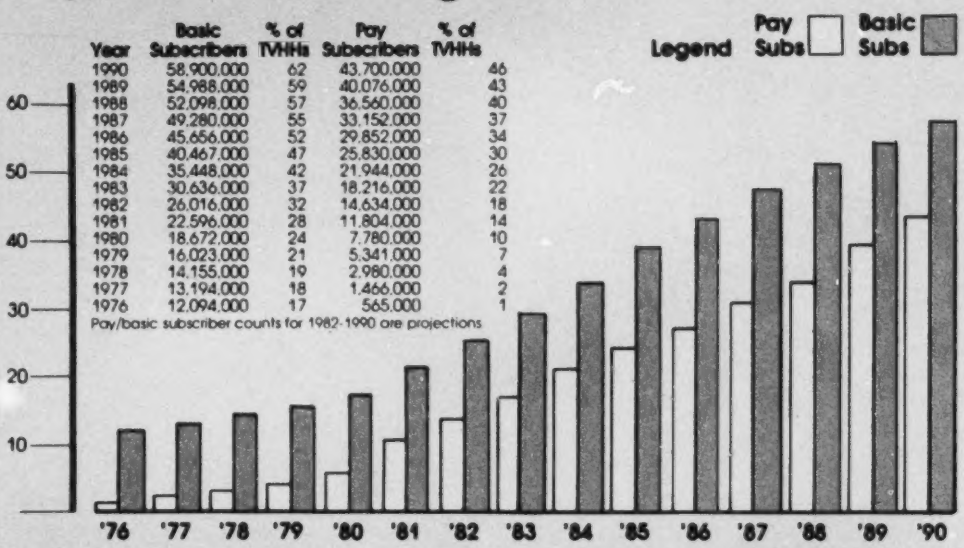
—Karen Bloom

Cable stats

Pay/basic cable growth

Year	Basic Subscribers	% of TVHHs	Pay Subscribers	% of TVHHs
1990	58,900,000	62	43,700,000	46
1989	54,988,000	59	40,076,000	43
1988	52,098,000	57	36,560,000	40
1987	49,280,000	55	33,152,000	37
1986	45,656,000	52	29,852,000	34
1985	40,467,000	47	25,830,000	30
1984	35,448,000	42	21,944,000	26
1983	30,636,000	37	18,216,000	22
1982	26,016,000	32	14,634,000	18
1981	22,596,000	28	11,804,000	14
1980	18,672,000	24	7,780,000	10
1979	16,023,000	21	5,341,000	7
1978	14,155,000	19	2,980,000	4
1977	13,194,000	18	1,466,000	2
1976	12,094,000	17	565,000	1

Pay/basic subscriber counts for 1982-1990 are projections



Cable barometer

Television households (TVHH) ... 80,700,000

Homes passed by cable (HP) 42,000,976

Percent of TVHH passed by cable 52.05%

Basic cable subscribers 22,821,167

Percent of TVHH with basic cable . 28.28%

Percent of HP with basic cable . 54.34%

Pay cable subscribers 12,051,461

Percent of TVHH with pay cable .. 14.93%

Percent of HP with pay cable .. 28.69%

Percent of basic subs with pay cable 52.81%

Cable programming services' subscriber counts

Basic Cable Services	Affiliates*	Subscribers*	% Change in Homes From 2/28
ACSN	214	1,387,186	-11
BET	845	9,100,000	+2
CBN	2,800	15,700,000	+3
CBS Cable	350	4,000,000	N.C.
CNN1	2,142	11,815,650	+4
CNN2	83	870,000	+9
C-SPAN	1,000	11,000,000	N.C.
Daytime	250	4,200,000	N.A.
ESPN	3,545	15,382,371	+5
Eternal Word Television Network	25	315,000	+5
MSN	541	4,100,000	N.C.
MTV (as of 1/1)	300	2,500,000	N.C.
National Christian Network (as of 3/22)30	318,684	+2	
National Jewish Television	86	1,837,500	+7
Nickelodeon/ARTS (as of 1/1)	1,350	6,200,000	N.C.
North American Newstime	117	894,193	+1
PTL	570	5,100,000	+8
SIN[1]	175	21,393,490	N.C.
SPN[2]	457	4,369,511	+2
Trinity	170	1,587,000	+25
USA Network	1,800	10,500,000	+5
WGN	2,605	8,176,200	+2
WOR	1,309	4,864,600	+1
WTBS	4,052	20,375,000	+4
Basic Audio Services			
Lifestyle	50	482,216	+7
WFMT	121	738,440	+7
Pay Services			
Bravo(as of 3/22)	26	48,300	+3
Cinemax (as of 12/31/81)	600	6,000,000	N.C.
Escapade (as of 3/22)	115	206,000	+3
GalaVision	134	100,000	+5
HBO (as of 12/31/81)	3,300	8,500,000	N.C.
Home Theatre Network (as of 2/28)	275	155,000	N.C.
Home Theater Network Plus	N.A.	N.A.	
The Movie Channel	1,500	1,750,000	N.C.
Showtime (as of 12/31/81)	1,300	2,860,000	N.C.

*Affiliate and subscriber counts are as of March 31, 1982, unless otherwise noted.
[1]Total SIN reach. Estimated Spanish-speaking households (including broadcast stations and translators): 2,772,500.
[2]Subscriber count denotes households receiving signal.
N.A. designates not available.
N.C. designates no change.

Announced Satellite-fed Cable Services	Projected Launch Date
ABC/ESPN Pay Service	T.B.A.
American Satellite Network	T.B.A.
Biznet (U.S. Chamber of Commerce Sat. Net)	2/82
Black Music Cable Channel	third quarter 1982
The Buena Vista Channel	T.B.A.
Cable Health Network	6/82
Cable Newspaper Corporation	9/82
CableShop	first quarter 1983
Christian Media Network (relaunch)	T.B.A.
Chromatic Animation	fall 1982
Cinemerica	mid-1982
The Disney Channel	first quarter 1983
EROS	5/6/82
Family Programming Network (Billy Batts)	T.B.A.
Heartbeat Media Network	third quarter 1982
Home Music Store (audio)	second quarter 1982
Inter Media Entertainment Service	T.B.A.
The Job Channel	T.B.A.
Kidvid Network	9/82
Lewmark Productions Music Channel	9/82
Magicable	fall 1984
Milwaukee Exhibition Conventional Arena	T.B.A.
Nashville Network	3/83
National Jazz Network (audio)	4/82
Nostalgia Network	T.B.A.
PBS Cable	T.B.A.
Penthouse Entertainment Network	T.B.A.
RCTV/Entertainment Channel	6/82
Satellite News Channels (channel one)	6/82
Satellite News Channels (channel two)	first quarter 1983
Shopping by Satellite	fall 1982
Sitcom Channel (Channeltainment)	first quarter 1984
Spanish Universal Network	7/82
SPN/international network	second quarter 1984
SPN/financial-religious network	second quarter 1984
SPN/classic movie service	second quarter 1984
SPN/how-to network	second quarter 1984
Top Entertainment Network	T.B.A.
United Satellite Television Network (4 services)	first quarter 1983
U.S. Catholic Conference Satellite Network	9/82
UTV Cable Network	second quarter 1982
Video Concert Hall (relaunch)	fall 1982
The Weather Channel	5/82
Window	T.B.A.
Wisconsin all-Sports Network	1983

T.B.A. designates to be announced.

National cable advertising

This chart lists national advertising sales by the basic cable networks during February 1982.

Network/client	Status
BET	
Amtrak	Renewal
Anheuser-Busch	Renewal
Carson Products (Dark & Lovely)	Renewal
Ford (Lincoln-Mercury)	Renewal
General Electric	Renewal
General Foods	Renewal
General Mills	Renewal
Philips Petroleum Co.	Renewal
Pepsico	Renewal
Sears	Renewal
U.S. Army	Renewal
U.S. Navy	Renewal
Westinghouse	Renewal
Wrigley's	Renewal
Xerox	Renewal
CBS Cable	
Bristol-Myers	New client
Dow Jones	New client
E.F. Hutton	New client
Ford	New client
General Motors	New client
Shell Oil	New client
Volkswagon	New client
Warner Communications	New client
CNN	
American Home Products	Renewal
Atari	Renewal
Bristol-Myers	Renewal
Campbell Soup	Renewal
Eastman Kodak	Renewal
EZ Painter	New client*
Ford	Renewal
General Foods	Renewal
J.C. Penney	Renewal
John Deere	New client
Mastercard	Renewal
Nabisco	Renewal
Northwestern Mutual Life	Renewal
Ross Daniels	Renewal
Sears	Renewal
Snapper	New client*
U.S. Shoe	New client
Weed Eater	Renewal
Daytime	
Campbell Soup	New client
Corning Glass	New client
DMC Corp.	New client*
General Motors (Chevrolet)	New client
Kraft	New client
Nylint Toys	New client*
Quaker Oats	New client
Revlon	New client
Sears	New client
Trans World Airlines	New client
ESPN	
Activision	Renewal
American Express	Renewal
Atari (Warner Communications)	Renewal
Blue Bell (Wrangler)	New client
Borden's (Krylon Products)	New client
The Boxing Analyst	Renewal
British Airways	Renewal
Budget Rent-A-Car	Renewal
Champion Spark Plugs	Renewal
General Motors (Chevrolet)	Renewal
Control Data Corp.	New client
Davis	Renewal
Demorex	Renewal
Dunlop Tennis Racquets	Renewal
Eastman Kodak	Renewal
Family Handyman Magazine	Renewal
Ford	Renewal
Fram	Renewal
General Cigar	New client
Goodyear	Renewal
Hanes	New client
Iveco	New client*
J.C. Penney	Renewal
Jockey	Renewal
Mazda	Renewal
Mercedes Benz	Renewal
Nabisco	New client
Nisson (Datson)	Renewal
Norelco	Renewal
Northwestern Bank	New client*
Pennzoil	Renewal
Philips Petroleum	Renewal
Prince Tennis Racquets	Renewal
Pendleton	Renewal
Saunders Leasing	New client*
Sony	New client
Tasco Binoculars	New client*
Video Magazine	Renewal
Weed Eater	New client
Xerox	Renewal
Yamaha	Renewal
MSN	
Dart & Kraft (Tupperware)	New client
General Foods	Renewal
Ideal Security Hardware	New client*
MCP Food	New client*
Ralston Purina	New client
Scott Paper Co.	Renewal
Stouffer's	New client
National Jewish Television	
El Al Airlines	New client*
SIN	
Balacchi Wine	New client
Banfi Products (Riunite)	New client
H.J. Heines	Renewal
M & M Mars	New client
TeleFrance	
Chanel	Renewal
Club Med	Renewal
Elf Aquitaine	Renewal
Exxon	Renewal
Made in France International	Renewal
USA Network	
Activision	Renewal
American Home Products	Renewal
Anheuser-Busch (Old Milwaukee)	Renewal
Borden's (Krylon)	New client
Colgate-Palmolive	Renewal
Exxon	Renewal
Ford	Renewal
General Motors (Chevrolet/Cadillac)	New client
Hanes Corp.	Renewal
J.C. Penny	Renewal
Maxell	New client*
Norelco	Renewal
Phillip Morris (Miller Brewing)	Renewal
RCA Records	New client
Schering-Plough (Paas Kits)	Renewal
Sony	Renewal
Travelers Insurance Co.	New client
U.S. Postal Service	Renewal
WTBS	
American Home Products	Renewal
Beechnut	Renewal
Borden	Renewal
CAC Accounting Services	New client*
Carnation	Renewal
Chrylser	Renewal
Eastman Kodak	Renewal
Firestone	New client
Ford	Renewal
General Foods	Renewal
Johnson & Johnson	Renewal
Kidco	Renewal
Kraft	Renewal
Leisure Dynamics	Renewal
Mego	Renewal
National Car Rental	Renewal
National Enquirer	Renewal
Proctor & Gamble	Renewal
Redman Tobacco	Renewal
Ross Daniel	Renewal
Sears	Renewal
Toyota	Renewal
ESPN	
These clients were left off ESPN's list for January because they were not available at press time.	
Avis	Renewal
Brown Shoe	Renewal
Delco Manufacturing	New client*
DuPont	New client
General Motors	Renewal
Getty Oil	Renewal
Gillette	Renewal
GTE	Renewal
Huffy Bicycles	New client
Mattel	Renewal
Mobil Oil	Renewal
Norelco	Renewal
Noxell	Renewal
Philips Petroleum	Renewal
Richland Shoe	Renewal
Schefflin	Renewal
Thermos	New client
Turner Broadcasting (CNN)	Renewal
United Airlines	New client
U.S. F & G Insurance	New client*
Walt Disney Productions	New client

*New to national network advertising.

NOTE

ONLY THE FOLLOWING PAGES OF THIS

PUBLICATION HAVE BEEN FILMED

Cover 1, p. 4, Cable Plus

4-7, 10-11; 79-80.